
**DEPARTMENT OF FINANCIAL REGULATION
CAPTIVE APPLICATION FOR ADMISSION**

1. Name of Proposed Captive _____
2. Parent or Sponsor _____
3. Individual to be contacted regarding this application _____

Street Address/City/State/Zip _____

Phone Number _____ E-Mail _____

4. Type of Proposed Captive

Association	Branch	Industrial Insured	Pure
Risk Retention Group		Sponsored	SPFI

5. Organization Form

Stock	Mutual	Reciprocal	LLC	Nonprofit
-------	--------	------------	-----	-----------

6. Principal Place of Business of Proposed Captive _____

7. Resident Registered Agent _____

Street Address/City/State/Zip _____

8. Location of Books and Records _____

9. Capital and/or Surplus of Company

(a) Initial Capital \$ _____

Initial Surplus \$ _____

Total \$ _____

(b) Location of Shares of Stock _____

10. Name(s) and Address(es) of Beneficial Owners	Percent of Ownership
Name _____	_____ %
Address _____	
Name _____	_____ %
Address _____	
Name _____	_____ %
Address _____	

(Attach additional pages as necessary.)

11. Explain Relationship among Beneficial Owners _____

12. Enclose Annual Report or 10K's of Beneficial Owners.

13. If Letter(s) of Credit Is (Are) to be Used, **Department Form E-702 must be used.**

(This does not apply to SPFIs.)

Name and Address of Bank _____

Amount of Letter of Credit \$ _____

14. Management Firm _____

Address _____

Phone Number _____ E-Mail _____

15. Lawyer _____

Address _____

Phone Number _____ E-Mail _____

16. Claims Handler _____

Address _____

Phone Number _____ E-Mail _____

17. Certified Public Accountant _____

Address _____

Phone Number _____ E-Mail _____

18. Actuary _____

Address _____

Phone Number _____ E-Mail _____

19. (Re)insurance Broker _____

Address _____

Phone Number _____ E-Mail _____

20. Biographical information for Directors and Officers (List below and include a biographical affidavit for each. **Attach additional pages as necessary.**)

Name _____

Position(s) with Captive _____

Employer and Position _____

Name _____

Position(s) with Captive _____

Employer and Position _____

Name _____

Position(s) with Captive _____

Employer and Position _____

21. If Applicant is an Industrial Insured Captive, please provide the name and address of the full-time employee acting as Insurance Manager or Buyer for each industrial insured member. (**Attach additional pages as needed.**)

Name _____

Address _____

(b) Aggregate annual premium \$ _____

(c) Number of full-time employees _____

Name _____

Address _____

(b) Aggregate annual premium \$ _____

(c) Number of full-time employees _____

22. Include the following with this application:

(a) Coverage/Limits/Reinsurance (form attached)

(b) Certified copy of Captive's certificate of incorporation, articles of association and bylaws or, if being formed as a reciprocal, a certified copy of the power of attorney-in-fact and subscribers' agreement.

(c) A non-refundable license fee of \$500.00; \$5,000.00 for SPFIs

(d) A non-refundable actuarial fee of \$5,000.00; \$10,000.00 for SPFIs

(e) A feasibility study by an actuary

(f) Statement of benefit to Vermont

(g) Biographical affidavits for officers and directors

(h) If applicant is Association Captive, give history, purpose, size and other details of parent association

(i) List all other providers and their responsibilities together with how fees for services rendered are to be charged

(List continues on next page)

(j) Detailed Plan of Operation with supporting data including:

- * (1) Risks to be insured - direct, assumed and ceded - by line of business
- (2) Fronting company if operating as a reinsurer
- * (3) Expected net annual premium income
- * (4) Maximum retained risk (per loss and annual aggregate)
- (5) Rating program
- (6) Reinsurance program
- (7) Organization and responsibility for loss prevention and safety including the main procedures followed and steps taken to deal with events prior to possible claims
- (8) Loss experience for past five years together with projections for the ensuing five years
- (9) Organization chart
- * (10) Financial projections on an expected and worst case scenario
- (11) Identify prospective risks to the captive and any mitigating strategies.

*Items 1,3,4, and 10 above should be projected for a five-year period. In the case of an SPFI, the expected case proformas should be projected for the term of the reinsurance agreement.

NOTE: Prepare one extra copy of all documents required by this application, which you will send to the assigned Captive Review Firm upon direction of this Department.

I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF ALL OF THE INFORMATION GIVEN IN THIS APPLICATION IS TRUE AND CORRECT AND THAT ALL ESTIMATES GIVEN ARE TRUE ESTIMATES BASED UPON FACTS WHICH HAVE BEEN CAREFULLY CONSIDERED AND ASSESSED.

Name _____ Date _____

Signature _____

(Director or Officer of Captive and Representative of Parent Company)

22a. COVERAGE/LIMITS/REINSURANCE

1. Type of Coverage _____
Direct or Assumed * _____ Claims Made or Occurrence _____
Policy Limits or Amount Assumed _____
Excess of Amount _____ Limits/Amounts Ceded * _____
2. Type of Coverage _____
Direct or Assumed * _____ Claims Made or Occurrence _____
Policy Limits or Amount Assumed _____
Excess of Amount _____ Limits/Amounts Ceded * _____
3. Type of Coverage _____
Direct or Assumed * _____ Claims Made or Occurrence _____
Policy Limits or Amount Assumed _____
Excess of Amount _____ Limits/Amounts Ceded * _____
4. Type of Coverage _____
Direct or Assumed * _____ Claims Made or Occurrence _____
Policy Limits or Amount Assumed _____
Excess of Amount _____ Limits/Amounts Ceded * _____
5. Type of Coverage _____
Direct or Assumed * _____ Claims Made or Occurrence _____
Policy Limits or Amount Assumed _____
Excess of Amount _____ Limits/Amounts Ceded * _____

6. Type of Coverage _____
Direct or Assumed * _____ Claims Made or Occurrence _____
Policy Limits or Amount Assumed _____
Excess of Amount _____ Limits/Amounts Ceded * _____

* For each line of coverage, list the assuming and/or ceding companies. (**Attach additional pages as needed.**)

YES NO

Are policies assessable?

Parental Guaranty in place?

Loan to Parent requested?

Losses Discounted?

If so, proposed rate: _____ %